



RevEx

ACM and ACCP Funds

Background Information

OCTOBER 1, 2015

DATCP
Secretary's
Office

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graph TD; DATCP[DATCP Secretary's Office] --> DMS[Division of Management Services]; DATCP --> DAH[Division of Animal Health]; DATCP --> DAD[Division of Agricultural Development]; DATCP --> DARM[Division of Agricultural Resource Management]; DATCP --> DFS[Division of Food Safety]; DATCP --> DTCP[Division of Trade and Consumer Protection]; DARM --> LWB[Land and Water Bureau]; DARM --> PIB[Plant Industry Bureau]; DARM --> AMB[Agrichemical Management Bureau]; AMB --> PS[Programs Section]; AMB --> EQS[Environmental Quality Section]; AMB --> ICS[Investigation and Compliance Section];
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Division of
Management
Services

Division of
Animal Health

Division of
Agricultural
Development

Division of
Agricultural
Resource
Management

Division of Food
Safety

Division of
Trade and
Consumer
Protection

Land and
Water Bureau

Plant Industry
Bureau

Agrichemical
Management
Bureau

Programs
Section

Environmental
Quality Section

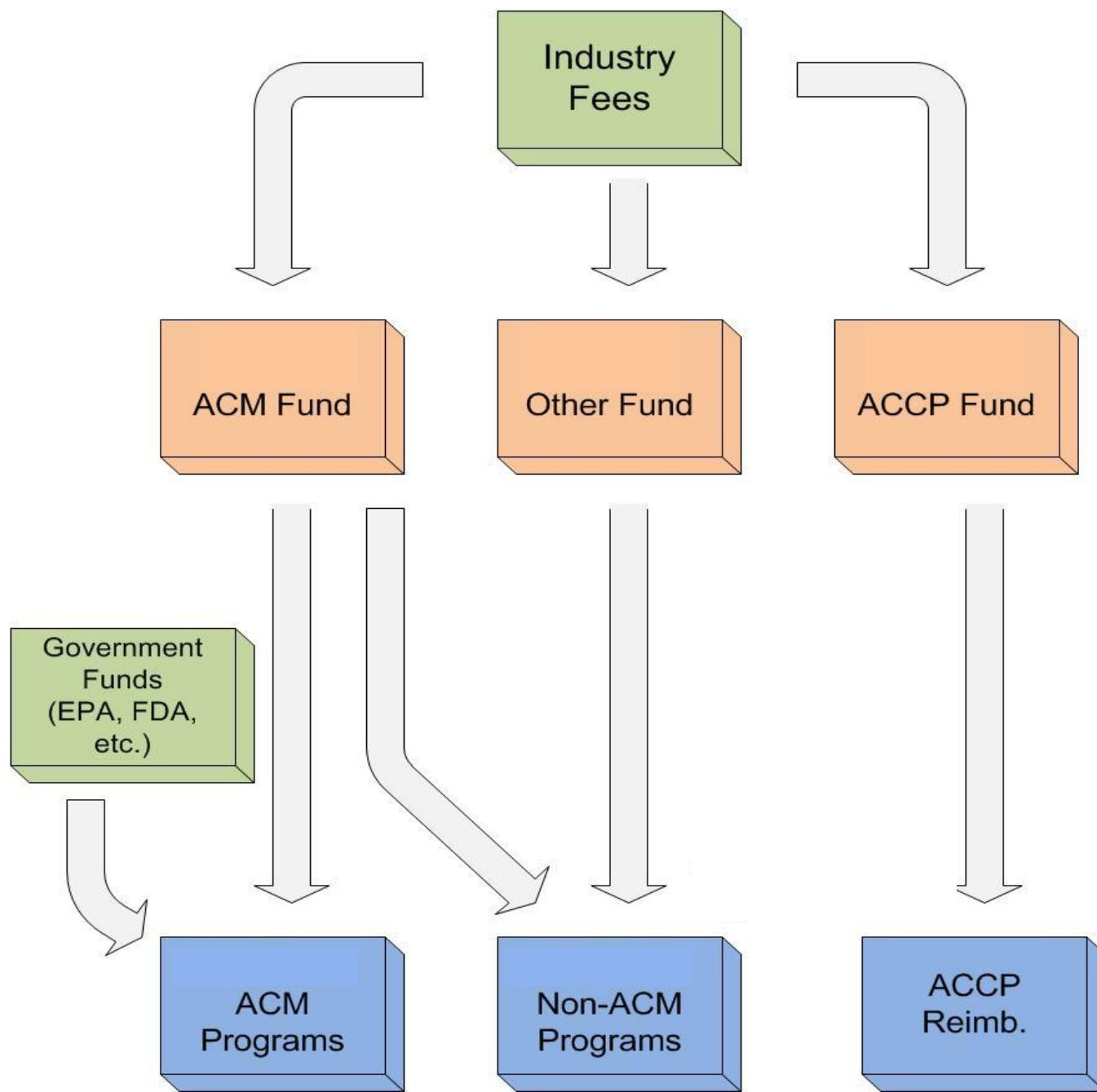
Investigation
and
Compliance
Section

ACM Bureau Funds

2 Funds

- ▶ Agrichemical Management (ACM)
- ▶ Agricultural Chemical Cleanup Program (ACCP)

Revenue and Expenditures Flow



ACM Fund vs ACCP Fund

	ACM Fund	ACCP Fund
Fund established	1989	1997
Funding sources	Pesticide, feed, lime, fertilizer, & SPA license & tonnage fees	Pesticide and fertilizer license and tonnage surcharges
Uses	Operations – staff, travel, rent, lab, etc.	Only ACCP reimbursements
Fluctuation	Low	High
Tax Dollars (GPR)	\$0	\$0

ACM Fund Revenues & Expenditures, FY13-14

Opening Balance	\$6,090,315		
FY 13-14 Revenue Total	\$7,974,641		
Expenditures			
ACM Program		\$5,979,930	
Non-ACM Programs		\$1,763,293	
Expenditures Total		\$7,743,223	
FY 13-14 Ending Balance			\$6,321,733

► [Link to ACM Spreadsheets](#)

ACM Fund

Non-ACM Program Uses, FY 13-14

Non-ACM Program Expenditures	Amount
1x transfer to DNR Environmental Fund for Clean Sweep	\$750,000
Animal Health Division	\$352,500
Discovery Farms	\$248,394
Ag in the Classroom	\$93,900
Grazing Grants	\$318,499
Total FY13-14 Non-ACM Program Expenditures	\$1,763,293

ACM Grant Revenue, FY 13-14

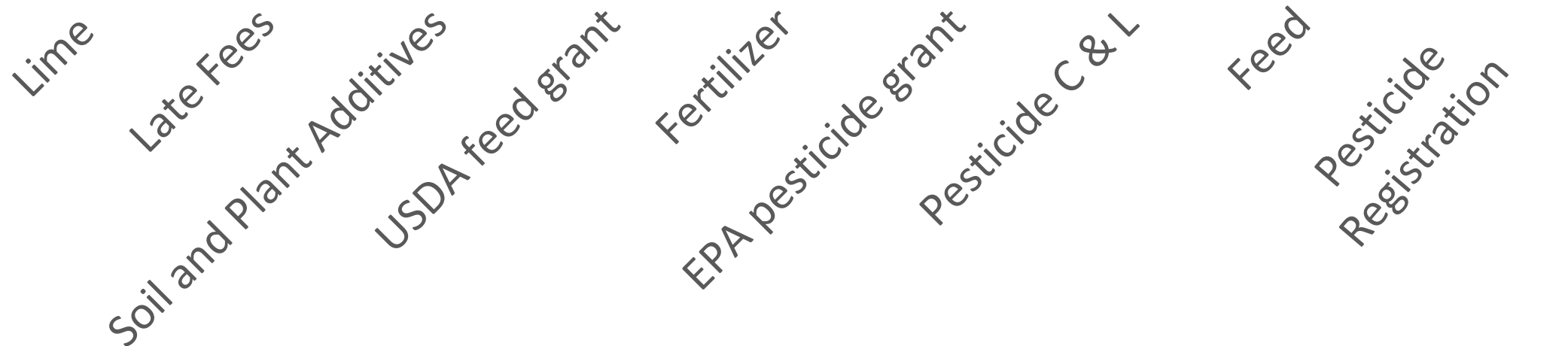
<u>Source</u>	<u>Revenue</u>
EPA Pesticide Grant	\$513,089
USDA-FDA Feed Grant	\$79,790
USDA Specialty Crop Block Grant	\$19,450
TOTAL	\$612,239

ACM Bureau Total Revenue, FY 13-14

(ACM Fund + Grants)

\$7,000,000
\$6,000,000
\$5,000,000
\$4,000,000
\$3,000,000
\$2,000,000
\$1,000,000
\$-

Total Revenue = \$8.65 million



Revenues Collected for & Dispersed to Others FY 13-14

Opening Balance	\$0		
FY 13-14 Revenue Total	\$2,211,044		
Expenditures			
Non-ACM Programs		\$2,200,761	
ACM Administrative Fee (3.5%)			
Fertilizer Research		\$10,283	
Expenditures Total		\$2,211,044	
FY 13-14 Ending Balance			\$0



Non ACM-Revenues Collected & Dispersed, FY 13-14

Program	Amount
DNR-Env. Fund (doesn't include 1x Clean Sweep transfer)	\$1,625,408
UW - Fertilizer Research Council	\$284,454
UW - Nutrient Management Program	\$166,268
UW - Lime	\$11,779
DATCP Weights and Measures	\$123,135
Non-ACM Program Uses Total	\$2,211,044

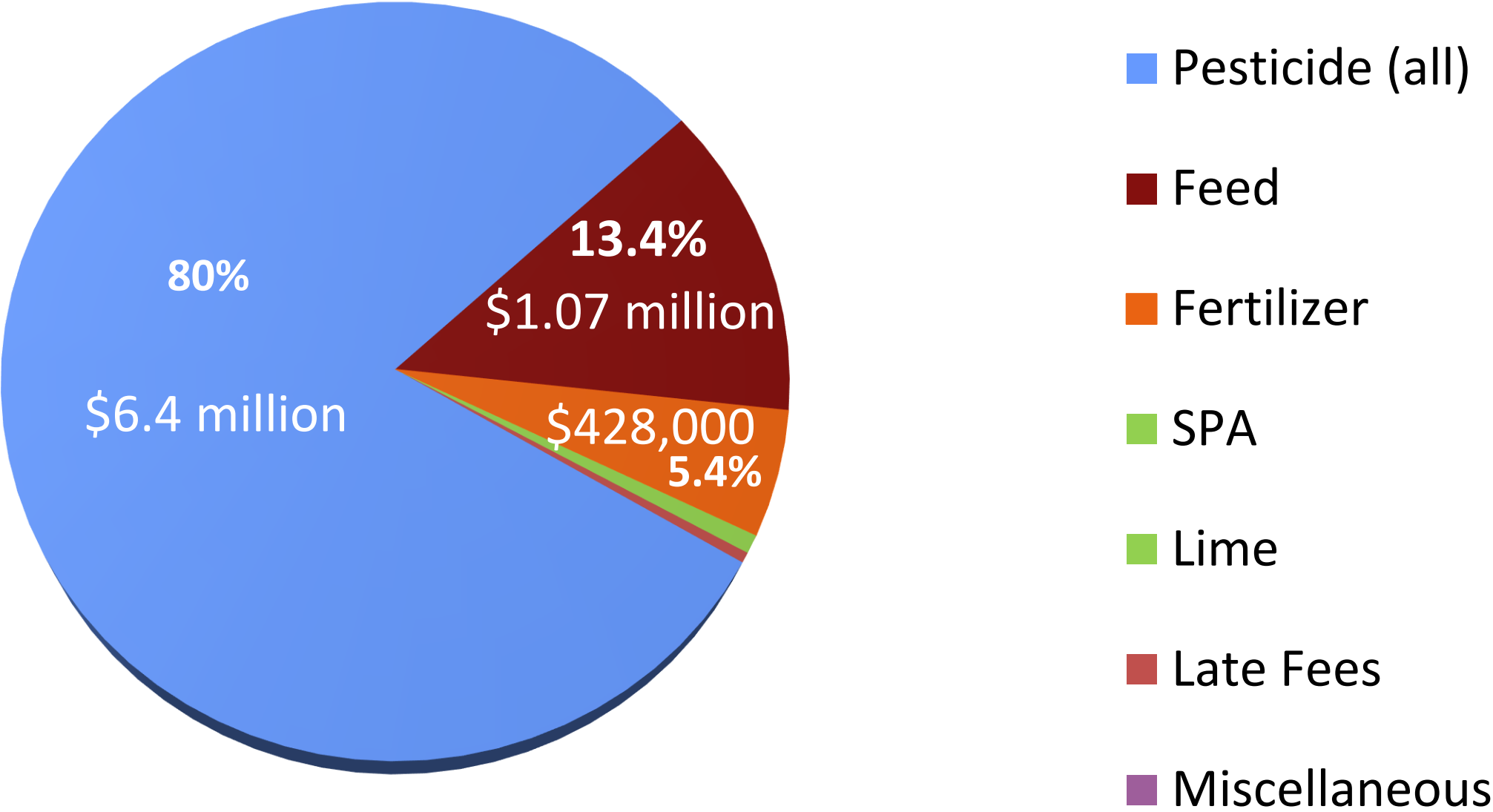
ACCP Fund, FY 14-15

Opening Balance	\$3,826,823		
Revenue Total	\$2,958,311		
Expenditures			
ACCP Reimbursements		\$1,410,287	
Expenditures Total		\$1,410,287	
FY 14-15 Ending Balance			\$5,374,847

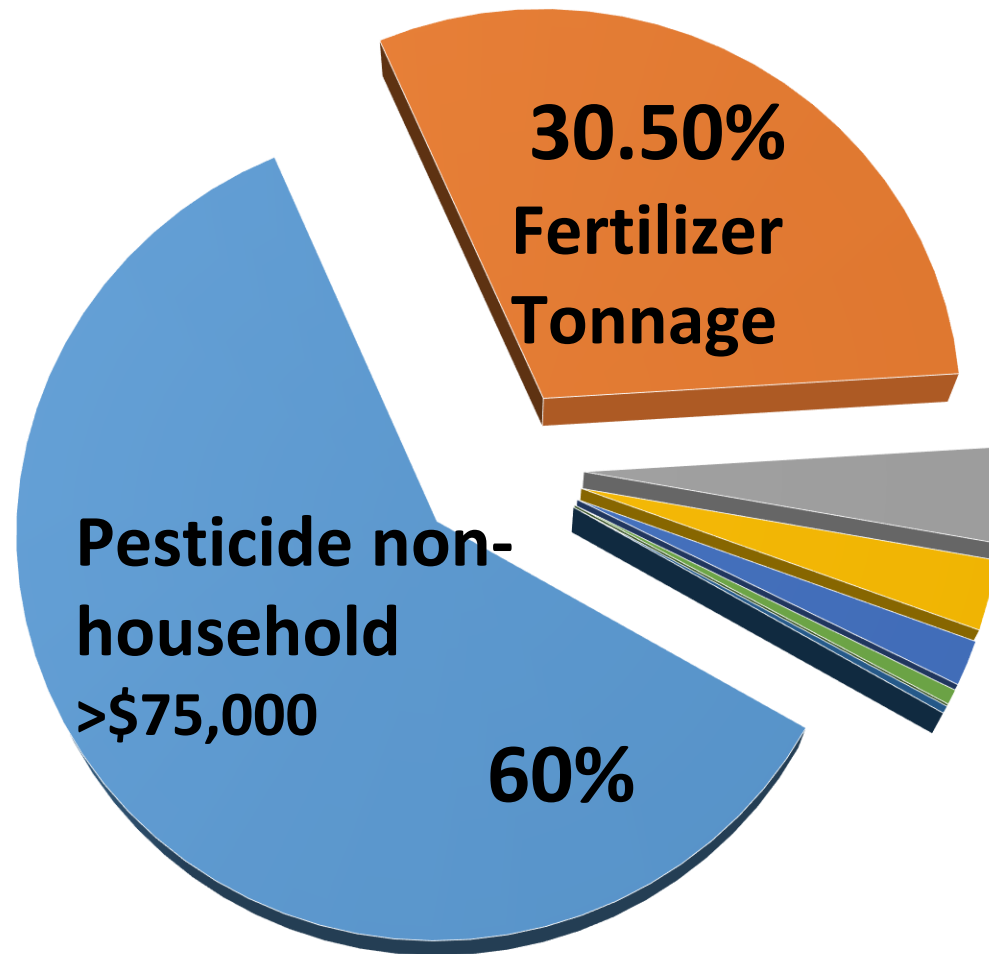
ACM Fund & ACCP Fund Revenues by Program

Overall Sources of Revenue

ACM Fund Total Revenues by Source, FY 13-14



ACCP Fund Revenue Sources, FY 14-15



■ Pesticide Non-household > \$75,000

■ Fertilizer Tonnage

■ Pesticide ICAL

■ Pesticide PBL

■ Pesticide Non-household \$25,000-\$75,000

■ Pesticide Non-household < \$25,000

■ Fertilizer License

Feed

Feed Fees

- ▶ **License** -- \$25 annually
 - ▶ Last changed in 1991
- ▶ **Tonnage** -- \$0.25/ton; no minimum fee
 - ▶ Last changed in 2002

Feed License

Where it Goes

**You pay \$25
&
\$0.25/ton**

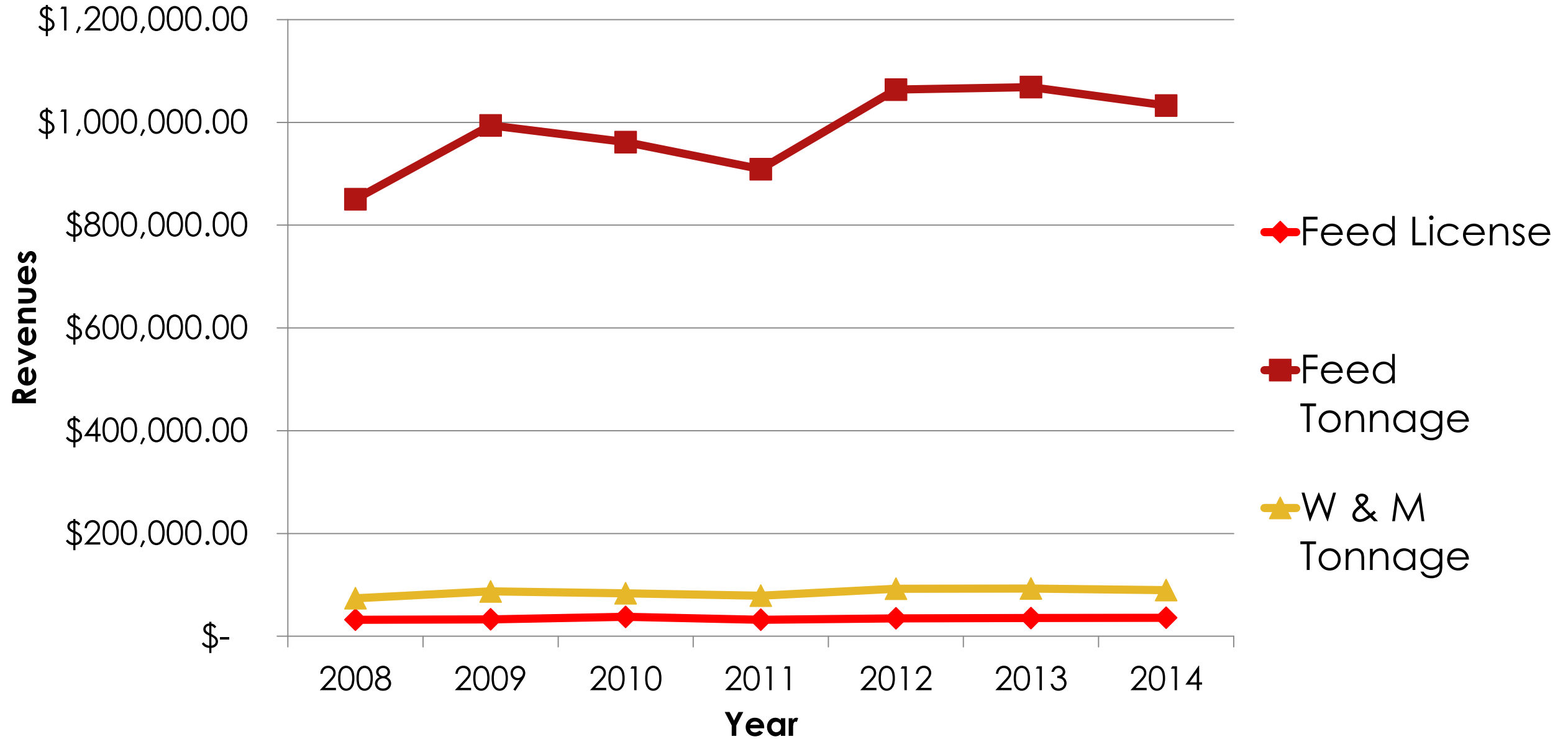
\$25 to ACM

**\$0.23/ton
to ACM**

**\$0.02/ton
to W & M**



Feed License and Tonnage, 2008-2014



Lime

Lime Fees

- ▶ **License** -- \$10 annually
 - ▶ No change since at least 1941
- ▶ **Tonnage** -- \$0.0125/ton
 - ▶ Last changed in 1983

Lime License

Where it Goes

**You pay \$10
&
\$0.0125/ton**

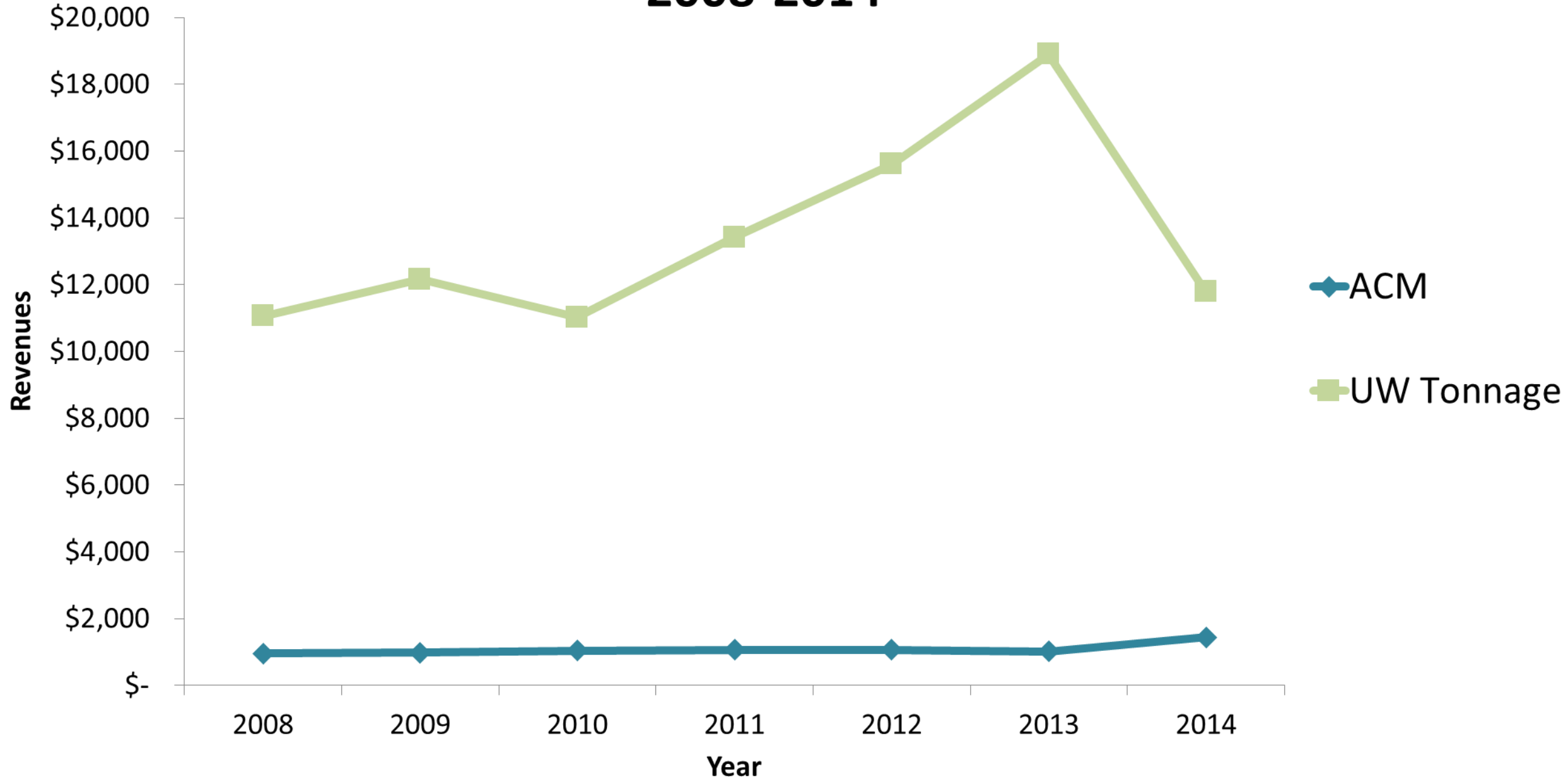


\$10 to ACM



**\$0.0125/ton
to UW**

Lime Revenues 2008-2014



Soil and Plant Additives (SPA)

SPA Fees

- ▶ **License** -- \$25 annually
 - ▶ No change since 1991
- ▶ **Tonnage** -- \$0.45/ton; minimum fee of \$27
 - ▶ No change since 1991
- ▶ **Permit** -- \$100/one-time
 - ▶ No change since introduced in 1985

SPA License

Where it Goes

**You pay
\$25, \$100
one-time
per product
permit &
\$0.45/ton**

\$25 to ACM

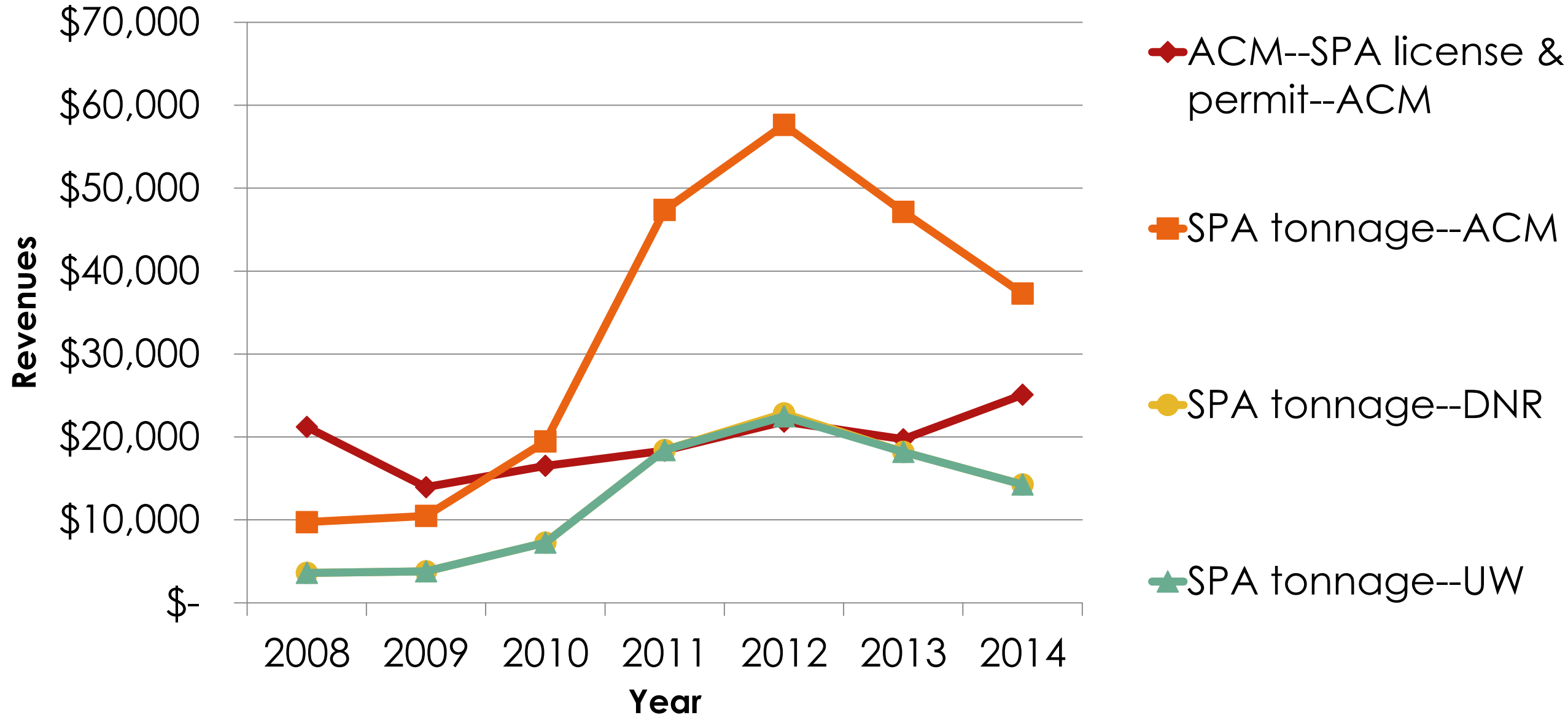
\$100 to ACM

**\$0.25/ton
to ACM**

**\$0.10/ton
to UW**

**\$0.10/ton
to DNR**

Soil and Plant Additive Revenues, 2008-2014



Fertilizer

Fertilizer Fees & Surcharges

- ▶ **License** -- \$30 annually + \$11.20 ACCCP surcharge (if no PBL)
 - ▶ No change in fee since 1997
 - ▶ ACCCP surcharge decreased in 2013
- ▶ **Permit** -- \$25/one-time per specialty use product
 - ▶ Has not increased since introduced in 1985
- ▶ **Tonnage** -- \$0.97/ton
 - ▶ ACCCP surcharge decreased in 2013
 - ▶ Change in distribution of fees in 2013
 - ▶ No change in other tonnage fees since 2001

Fertilizer License

**You pay
\$30, \$25 for
one-time
permit &
\$11.20 if no
pesticide
license**

Where it Goes

\$30 to ACM

\$25 to ACM

\$11.20 to ACCP

Fertilizer Tonnage

**You pay
\$0.97**



\$0.23 to ACM



\$0.35 to ACCP



\$0.02 to W & M



\$0.17 to UW FRC



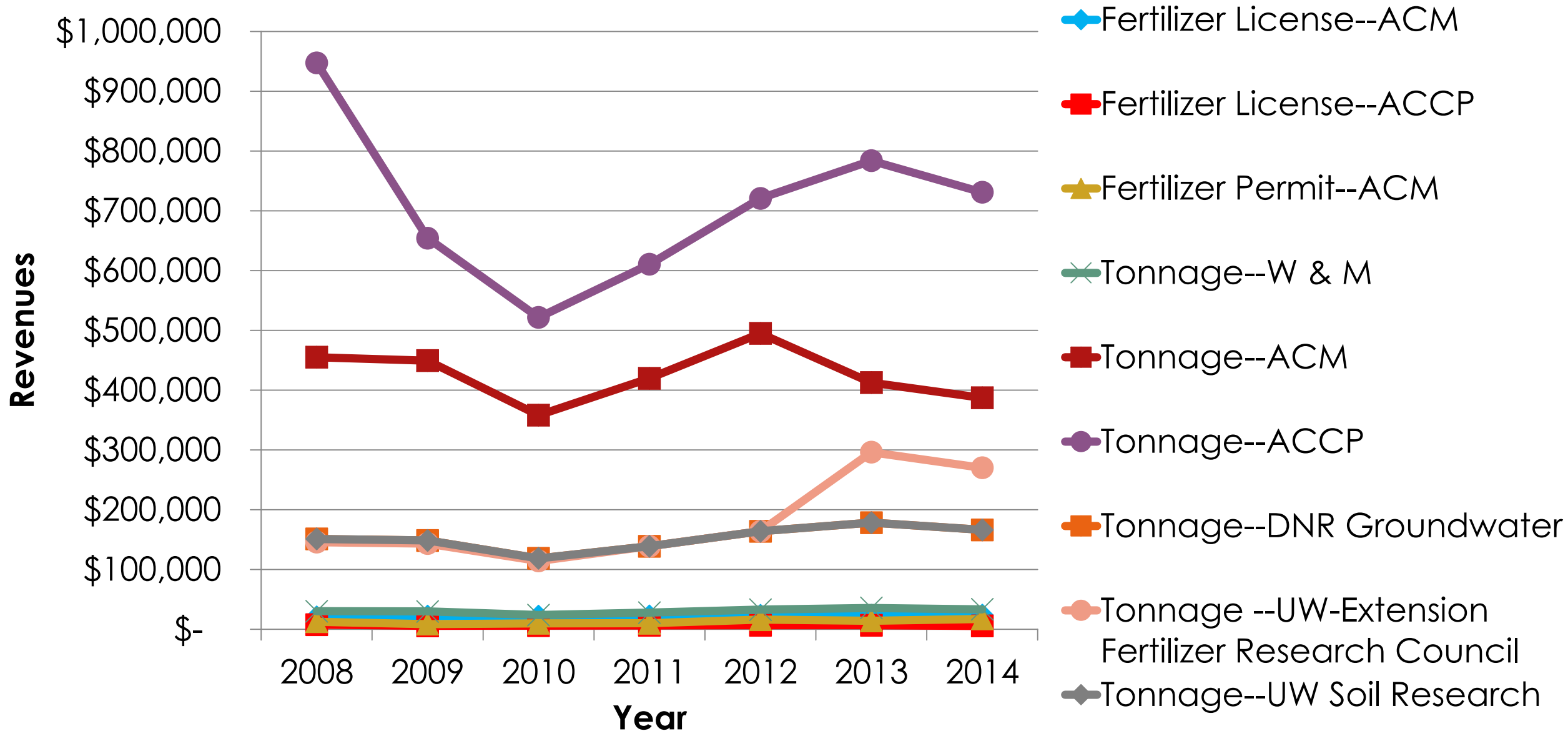
\$0.10 to UW Soils



\$0.10 to DNR

Where it Goes

Fertilizer License, Permit and Tonnage Revenues 2008-2014



Pesticides

Pesticide Licensing Fees & Surcharges

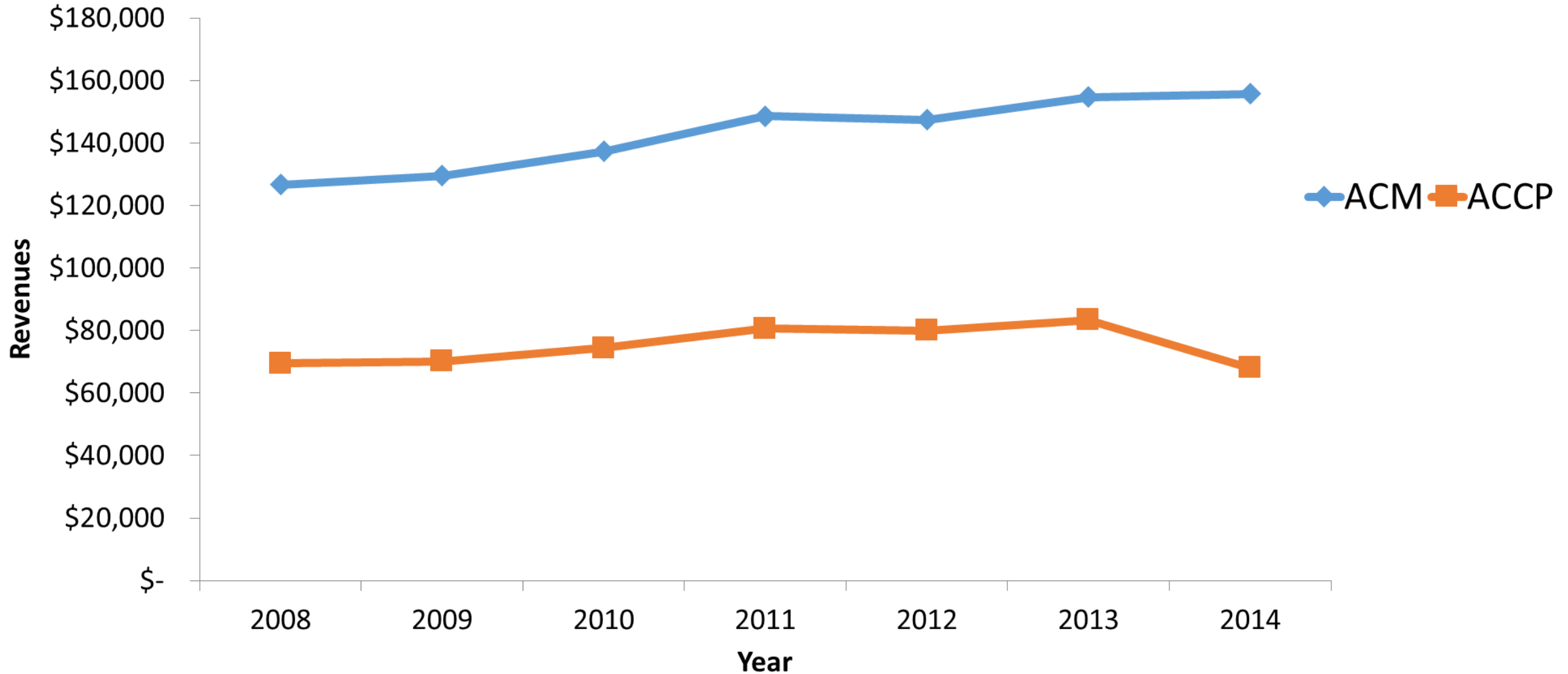
Pesticide License Name	ACM	ACCP	Total Fee
Business Location License (PBL)	\$70	\$30.40	\$100.40
Restricted Use Dealers (RU)	\$60	\$22.40	\$82.40
Commercial Applicator (ICAL)	\$40	\$11.20	\$51.20
Reciprocal Applicator	\$75		\$75.00

Pesticide License Fees

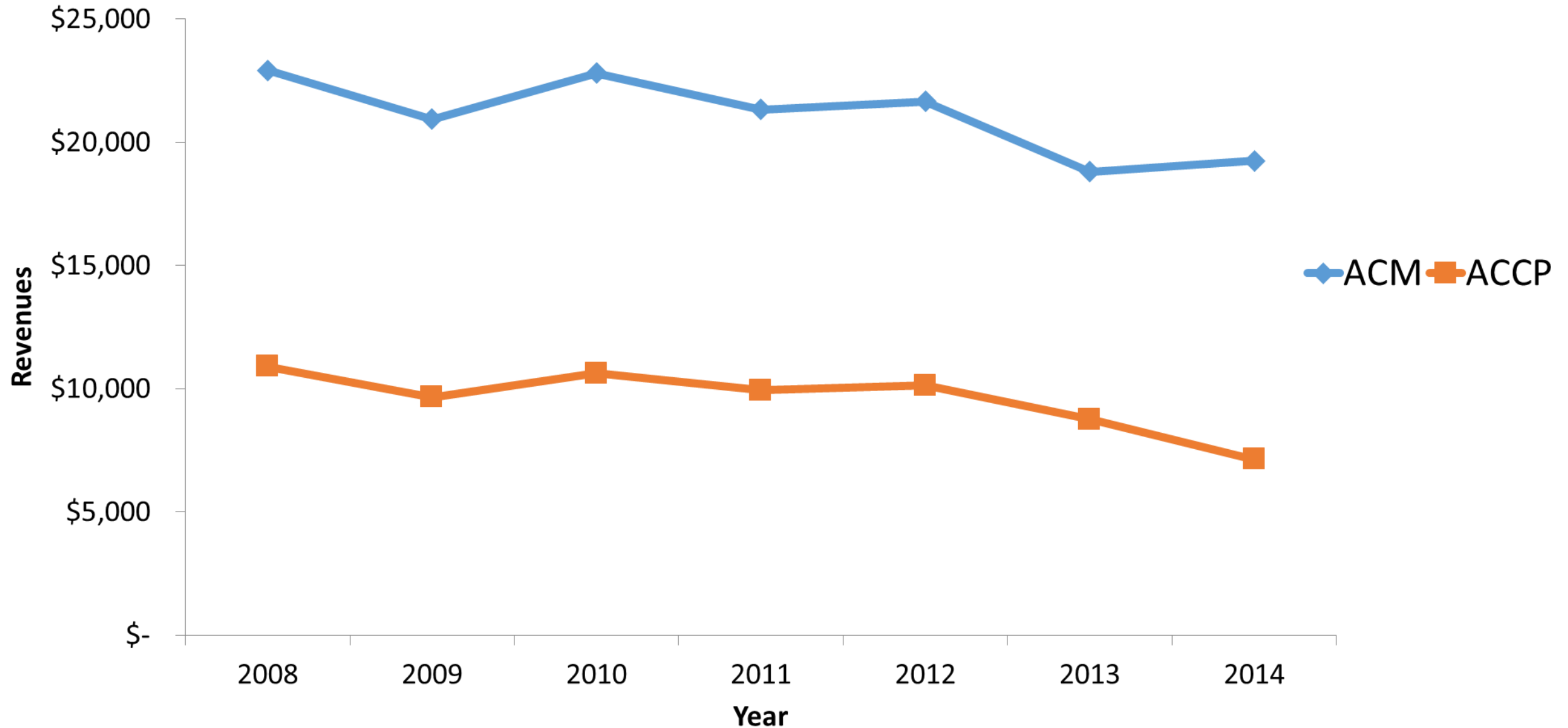
- ▶ All pesticide license fees
 - ▶ Last increased in 1997
- ▶ ACCP surcharges changed frequently
 - ▶ Last decreased in 2013

Pesticide Business License

2008-2014

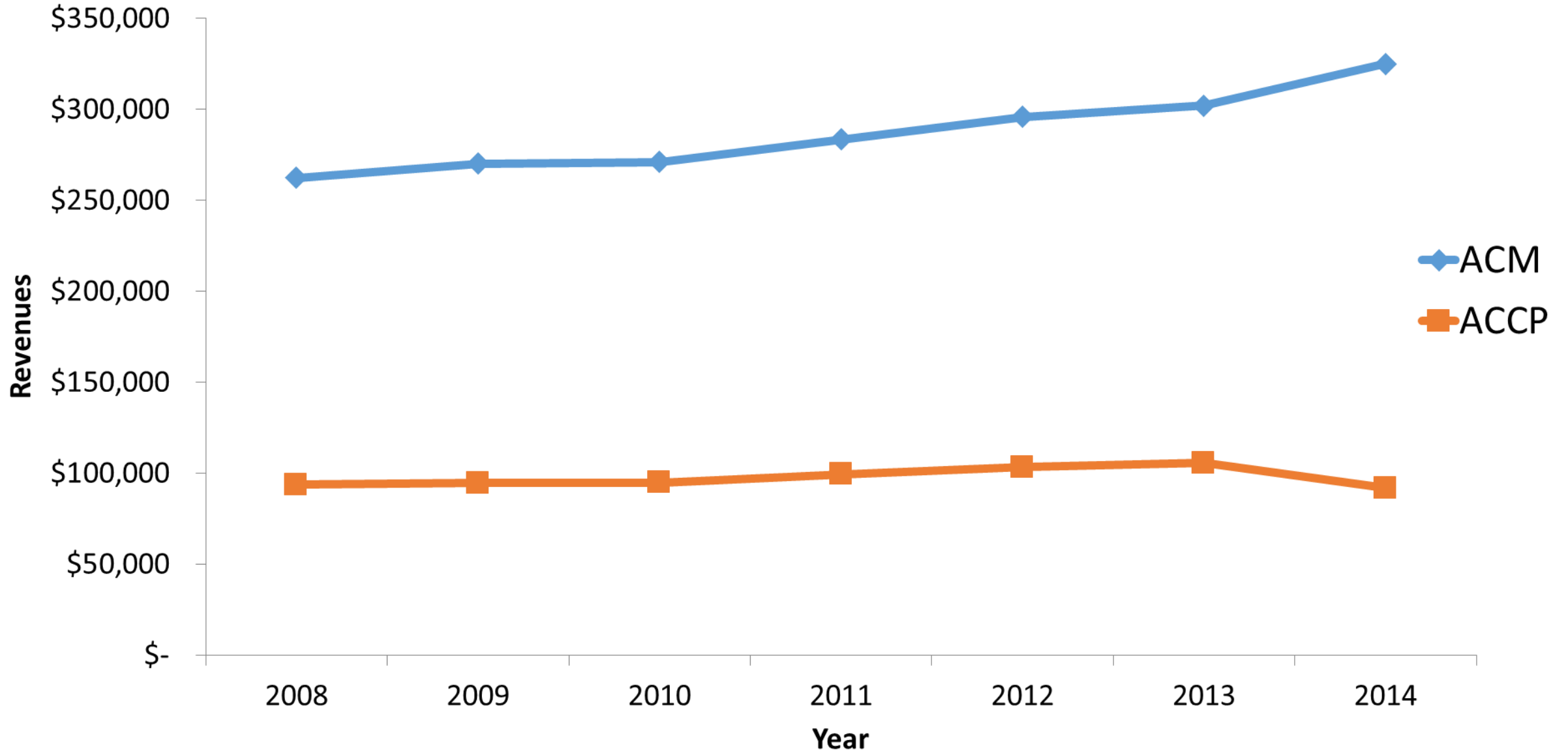


Restricted Use Dealers License 2008-2014

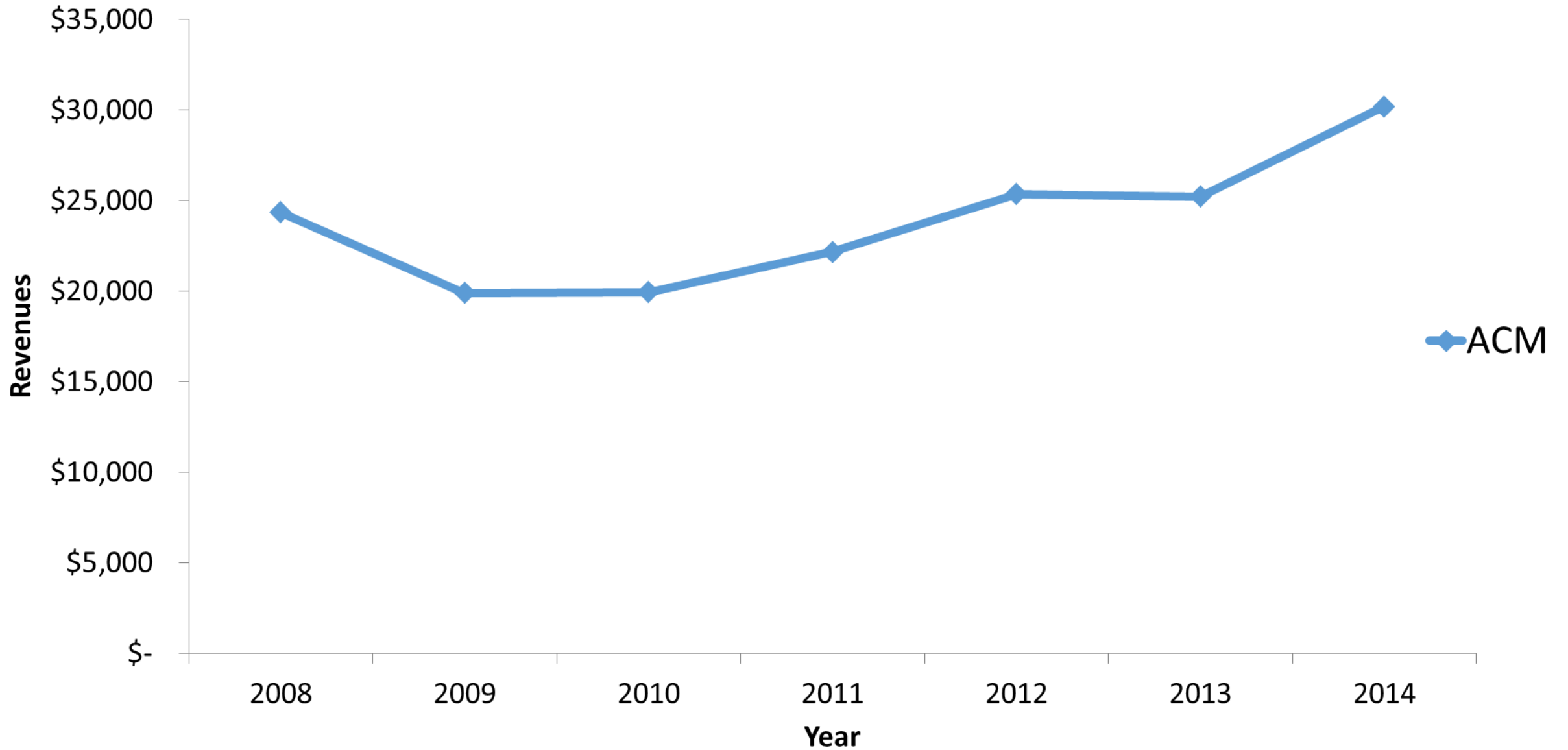


Individual Commercial Applicators License

2008-2014

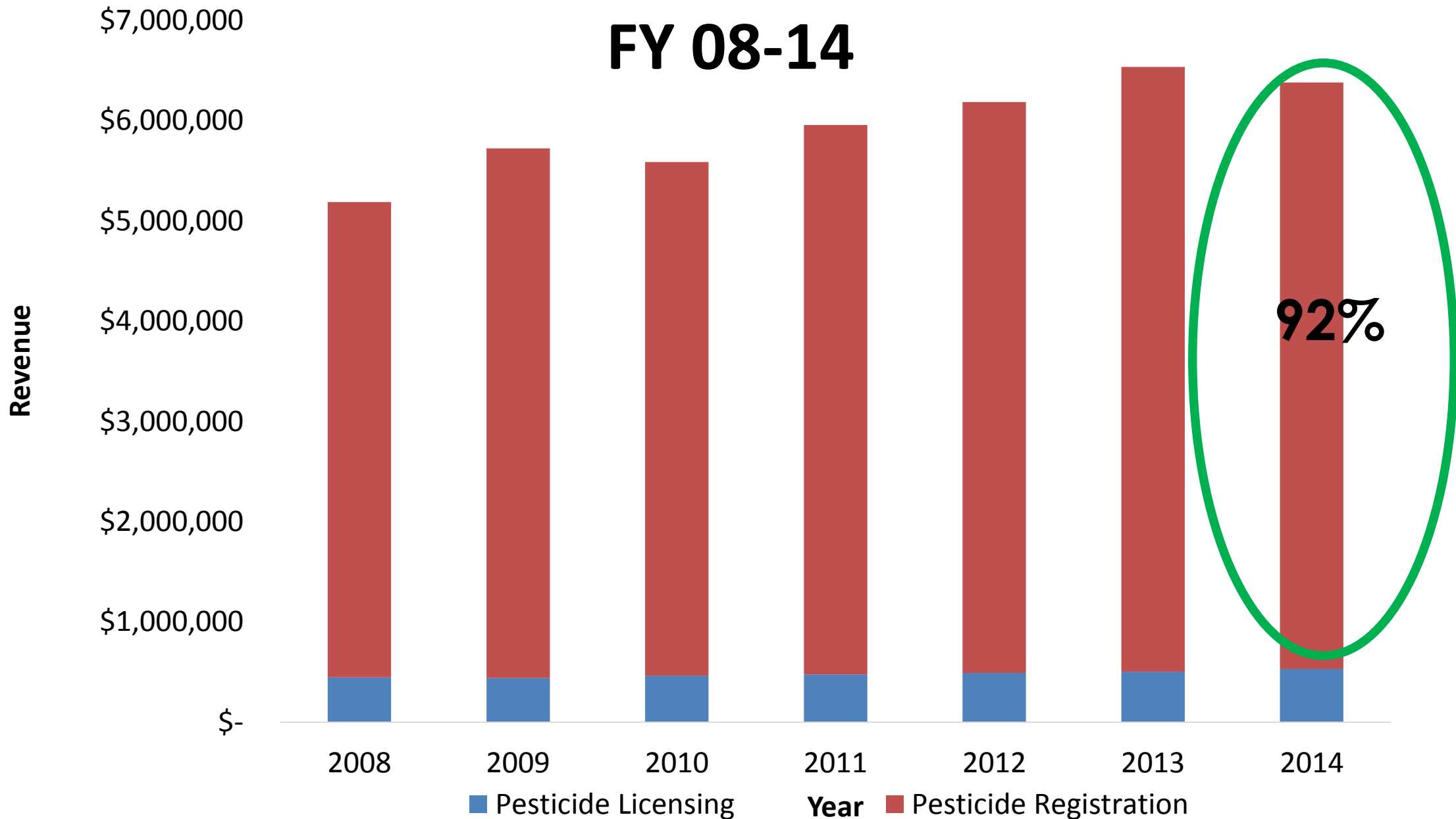


Reciprocal Commercial Applicators 2008-2014



All Pesticide Program ACM Fund Revenue

FY 08-14



Pesticide Registration

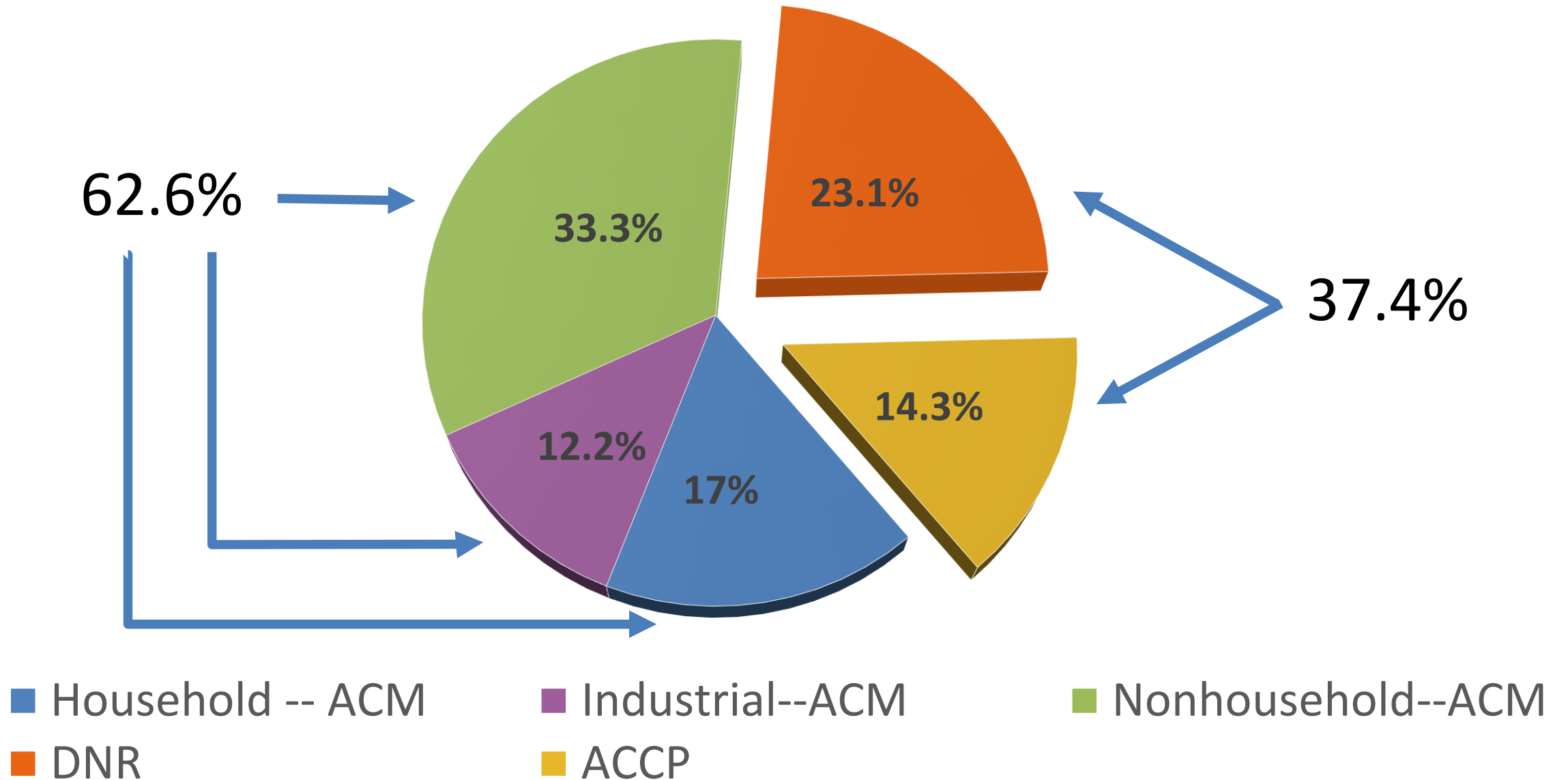
- ▶ Not the same as product registration at EPA
- ▶ License companies and register (“list”) products
- ▶ Very complex licensing program

Pesticide Registration Types

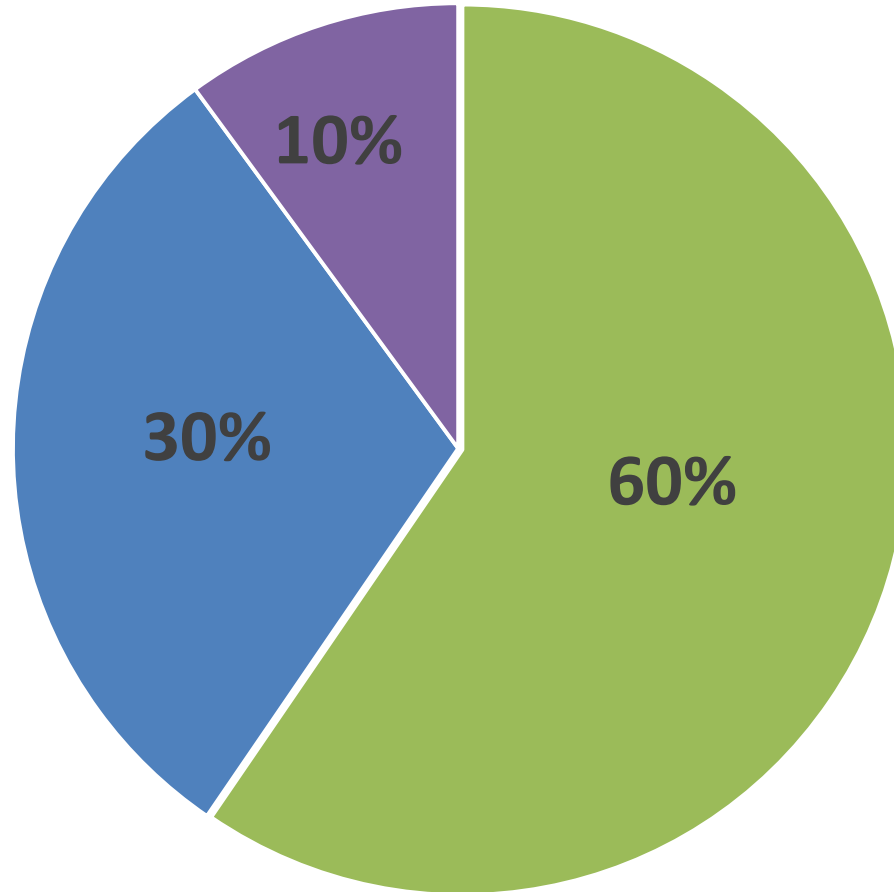
- ▶ **Household** –sanitizers, disinfectants, germicides, pet products, insect repellants. Exclusive household or swimming pool use
- ▶ **Industrial** – Not household. Control algae, fungi, bacteria in certain settings. Wood preservatives.
- ▶ **Nonhousehold** – Not household or industrial, Ag products
- ▶ **Exempt Products** – minimum risk products exempt from federal registration (25 (b))

Pesticide License Category	ACM	ACCP	DNR	Total Fee
Household (HH) < \$25,000	\$141		\$124	\$265
Household < \$25 - \$75,000	\$626		\$124	\$750
Household > \$75,000	\$1376		\$124	\$1500
Industrial < \$25,000	\$221		\$94	\$315
Industrial < \$25 - \$75,000	\$766		\$94	\$860
Industrial > \$75,000	\$2966		\$94	\$3060
Nonhousehold < \$25,000	\$226	\$2.80	\$94	\$322.80
Nonhousehold < \$25 - \$75,000	\$796	\$96	\$94	\$986
Nonhousehold > \$75,000	\$2966+ 0.2%	0.60% sales	\$94	\$3060+0.8%
Wood < \$25,000	\$221		\$5	\$226
Wood < \$25 - \$75,000	\$766		\$170	\$936
Wood > \$75,000	\$2966		1.1% sales	2966 + 1.1%
Exempt Products	\$0	\$0	\$0	\$0

Distribution of Pesticide Registration Revenue



ACM Fund Pesticide Registration Revenues (No ACCP or DNR), FY 13-14



■ Nonhousehold ■ Household ■ Industrial

ACM Pesticide Registration Revenues by Fee Category (No DNR or ACCP), FY 13-14

■ Household < \$24,999

■ Household \$25,000-\$74,999

■ Household > \$75,000

■ Industrial < \$24,999

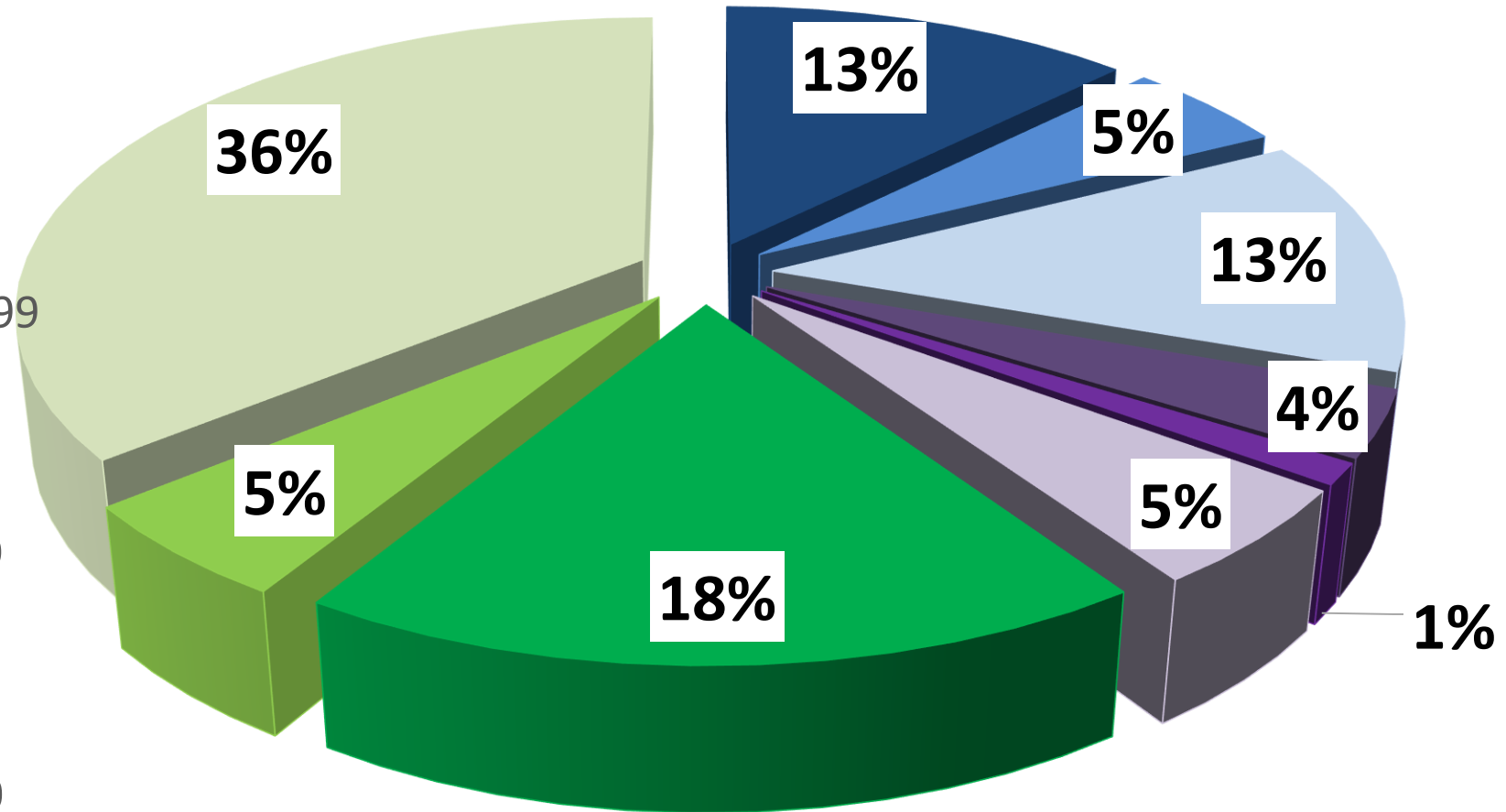
■ Industrial \$25,000-\$74,999

■ Industrial > \$75,000

■ Nonhousehold < \$24,999

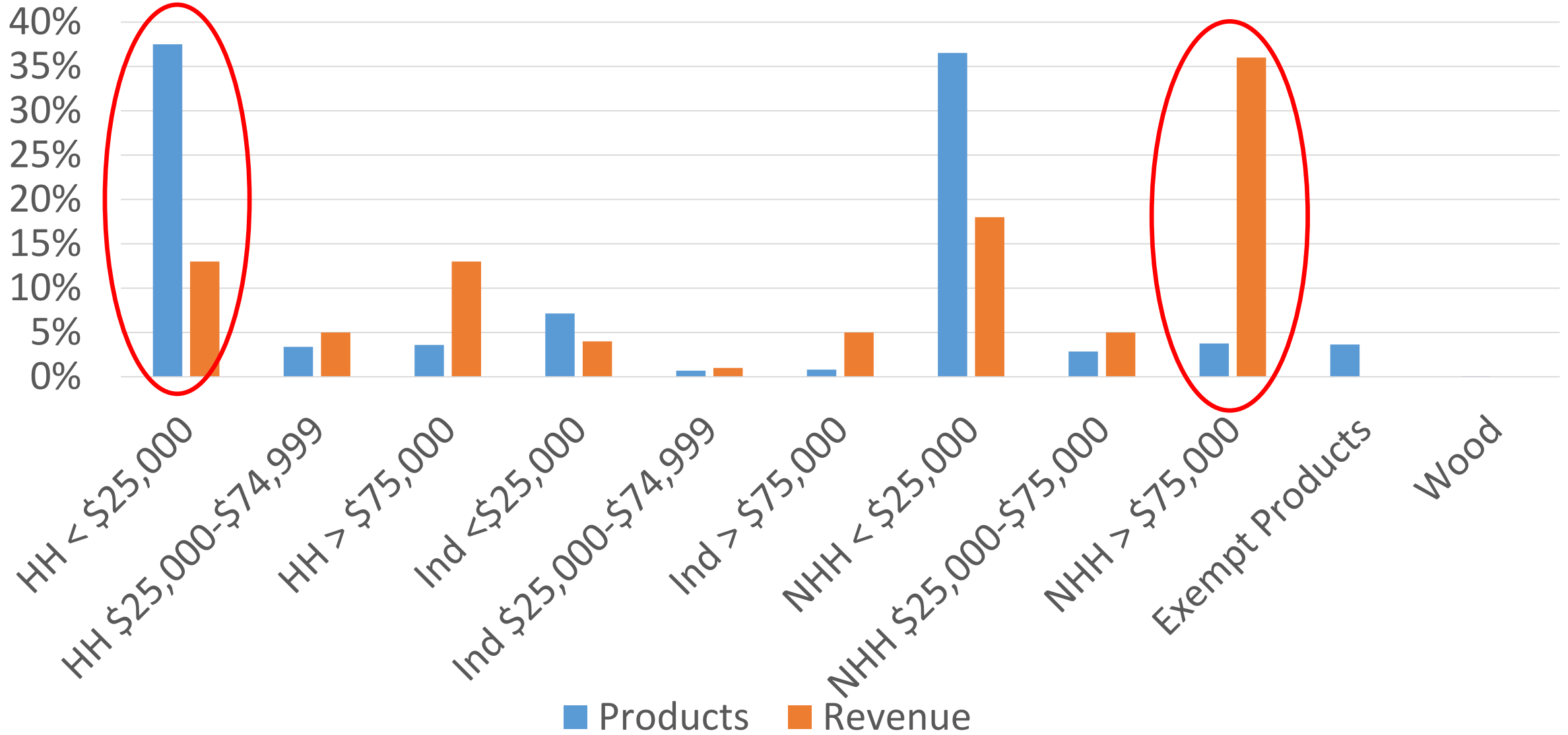
■ Nonhousehold \$25,000-\$74,999

■ Nonhousehold > \$75,000



Pesticide Registration Products and Revenue, FY13-14

Percent of Products and Revenues

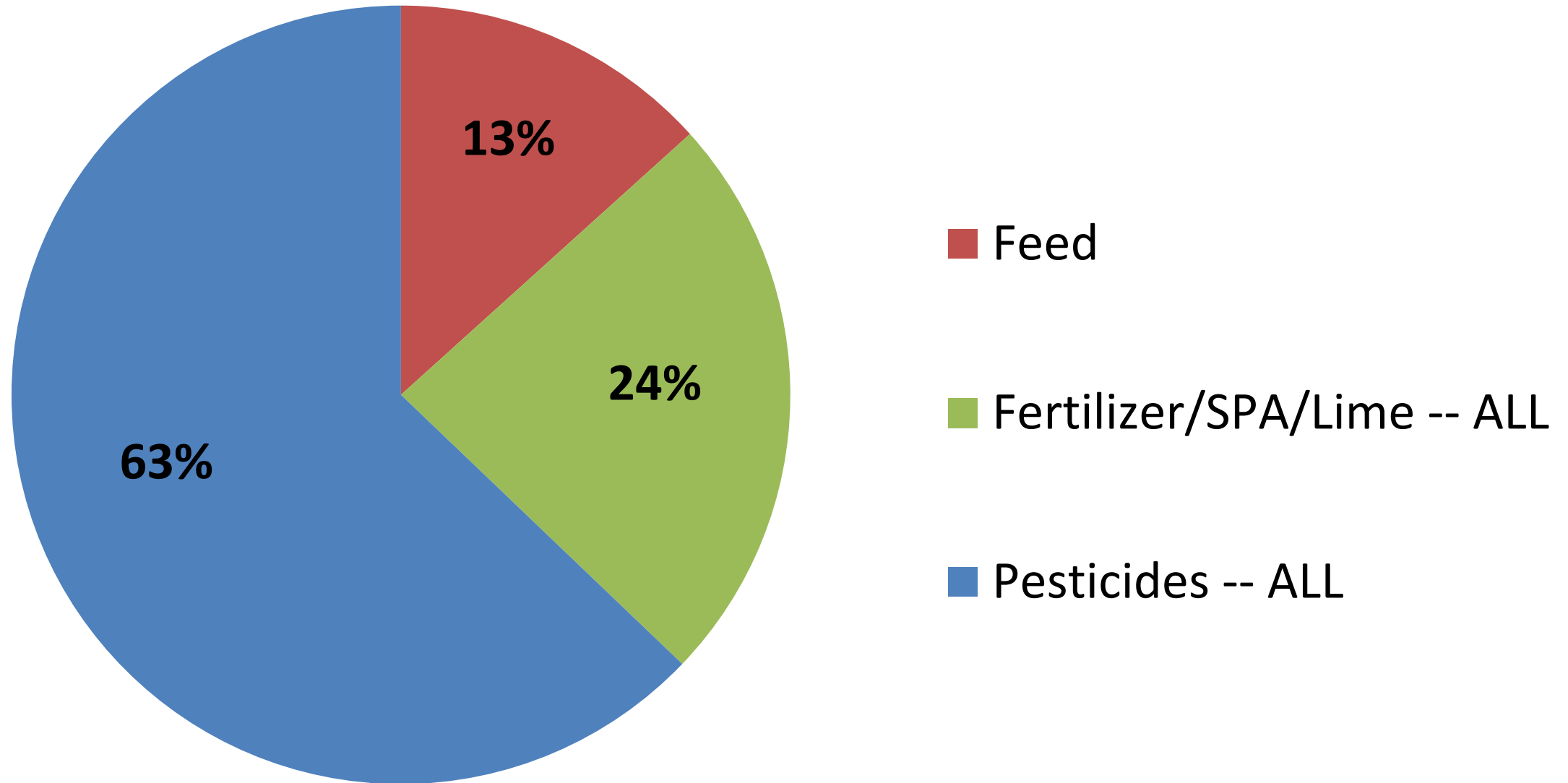


ACM Fund Expenditures

Expenditure Calculations

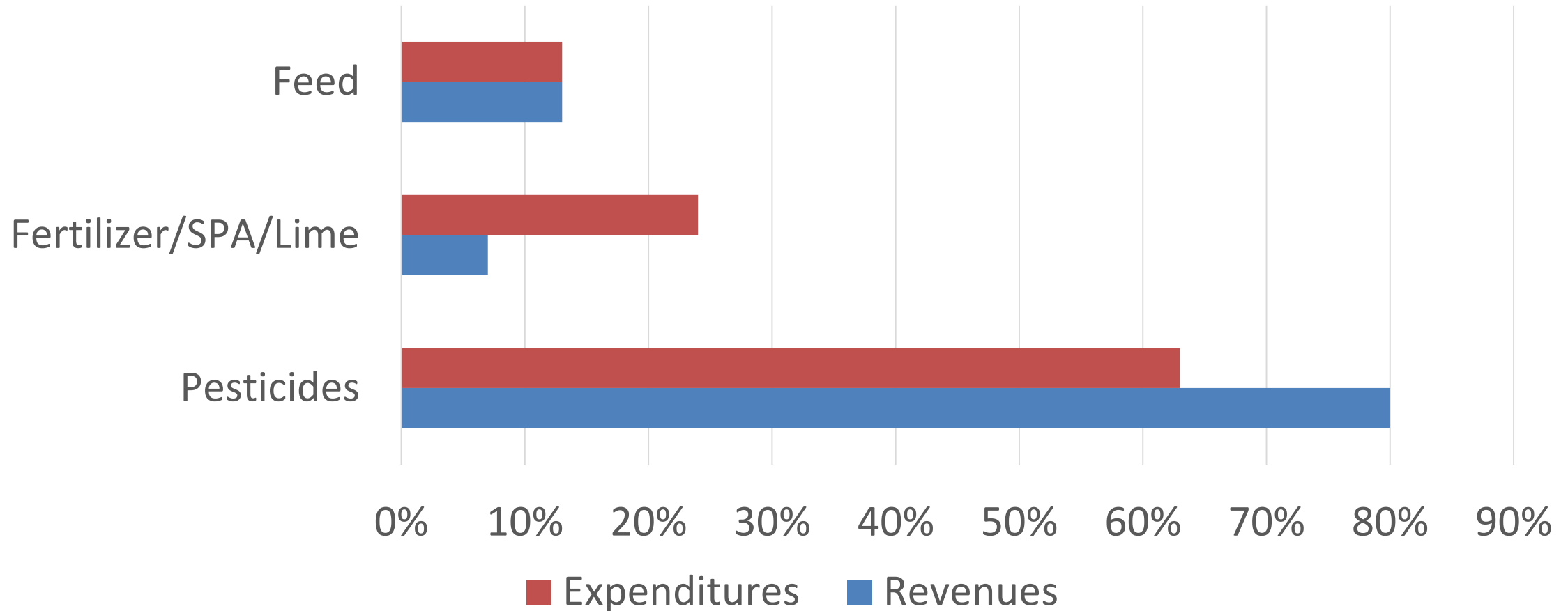
- ▶ ACM fund is integrated
- ▶ Used time reporting as a proxy
- ▶ Time reporting based on programs

ACM Fund Program Expenditures, FY 13-14



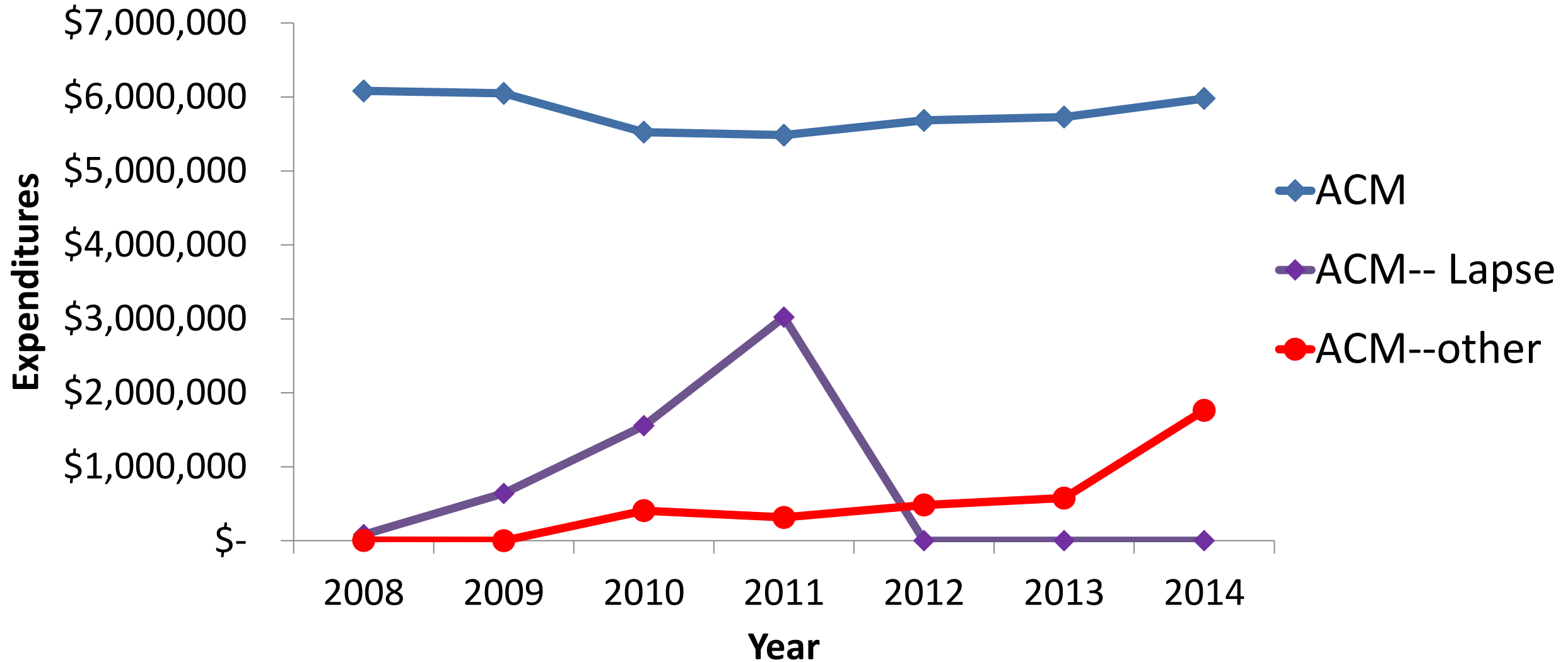
ACM Fund Revenues vs Expenditures

FY 13-14



Overall ACM Fund Expenditures




FY 08-14



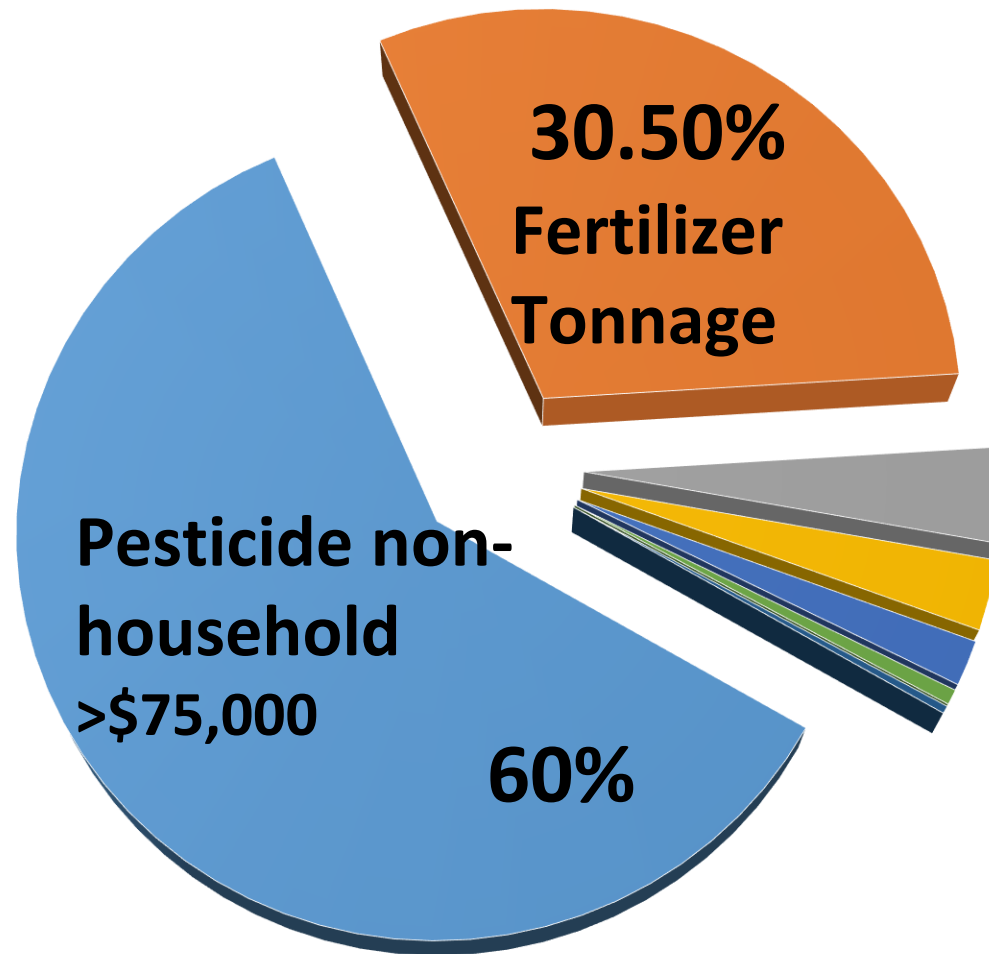
ACCP Expenditures

ACCP Fund, FY 14-15

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FY 14-15 Ending Balance			\$5,374,847

ACCP Surcharge	FY93- FY02	FY03	FY05	Max Fee	FY 08 30% 	Current FY 13 20% 
Fertilizer license (no pesticide)	ACM, GPR, & Holiday	\$20	\$20	\$20	\$14	\$11.20
Fertilizer Tonnage (per ton)		\$0.86	\$0.63	\$0.63	\$0.44	\$0.35
Pesticide Dealer Restricted Use		\$40	\$40	\$40	\$28	\$22.40
Pesticide Business Location		\$55	\$55	\$55	\$38	\$30.40
Pesticide Individual Applicator		\$20	\$20	\$20	\$14	\$11.20
Pesticide Product Registration						
NHH < \$25,000		\$5	\$5	\$5	\$3.5	\$2.80
NHH \$25,000 - \$74,999		\$170	\$170	\$170	\$120	\$96
NHH> \$75,000 (% of sales)		1.1%	1.1%	1.1%	0.74%	0.60%

ACCP Fund Revenue Sources, FY 14-15



■ Pesticide Non-household > \$75,000

■ Fertilizer Tonnage

■ Pesticide ICAL

■ Pesticide PBL

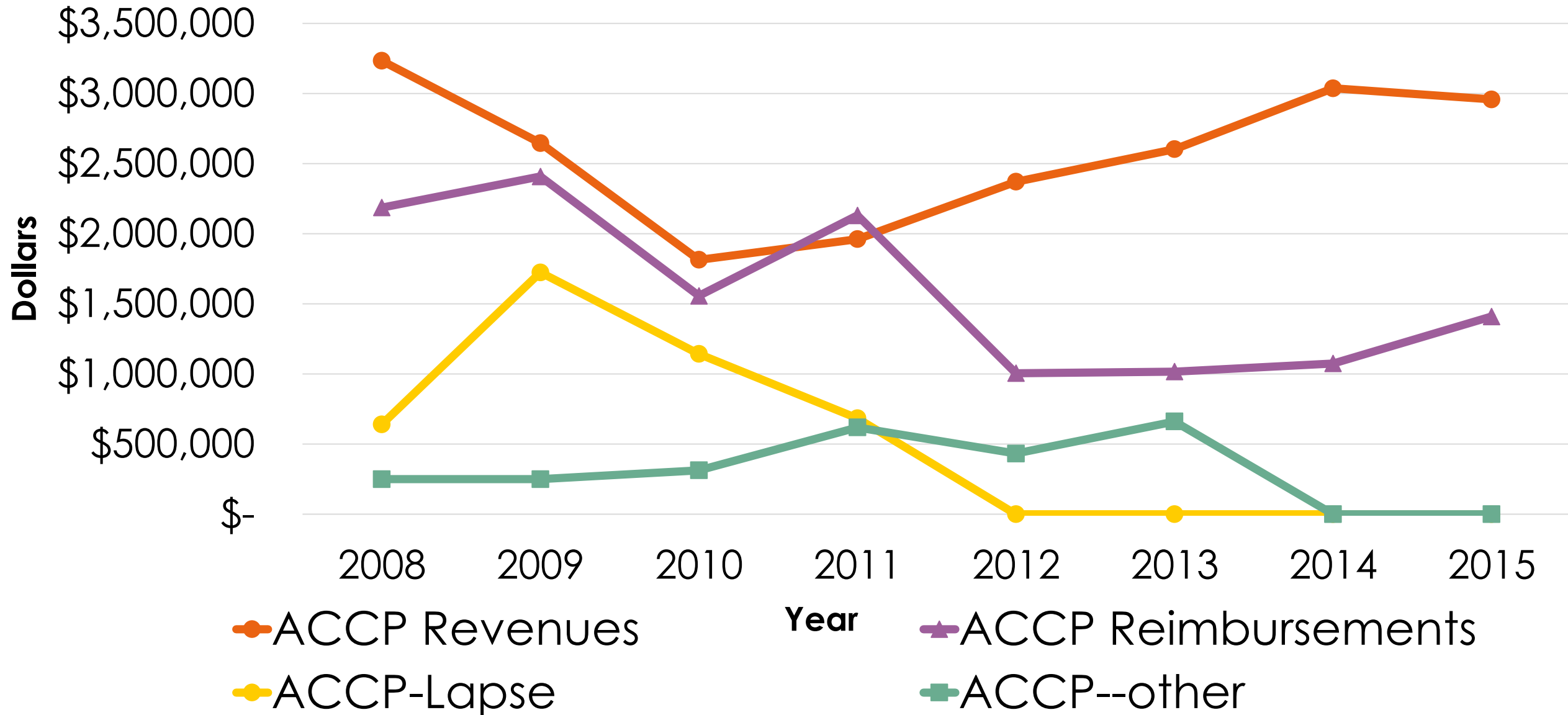
■ Pesticide Non-household \$25,000-\$75,000

■ Pesticide Non-household < \$25,000

■ Fertilizer License

ACCP Fund Revenues and Expenditures

FY 08-15



SUMMARY

ACM Fund

- ▶ Revenues \approx Expenditures
- ▶ Many revenue sources; stable
- ▶ Large cash balance
- ▶ Opportunity to use cash balance to affect possible solutions to Issues #2 and #3?

ACCP Fund

- ▶ Revenues $>$ Expenditures
- ▶ Few revenue sources; fluctuate
- ▶ Large cash balance
- ▶ Emergency rule for ACCP surcharge holiday for FY 16-17?
- ▶ Issues #4 & #5 are critical